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TELEPHONE STATISTICS

For the year 1983
Published July, 1984
United States
Telephone Association
1801 K Street, N.W.
Washington, D.C.
20006

VOLUME 1
1984
EDITION

UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association was organized in 1897 for the purpose of promoting the general welfare of the individual firms and corporations engaged in providing Independent telephone service in cities, communities and rural areas in the United States and its territories as well as the manufacturers and suppliers of equipment and material needed to meet these service requirements. The Association was incorporated under the laws of the state of Illinois in 1915.

One of the activities engaged in by the Association in serving its members is that of publishing annually a volume containing statistical data and other information relating to the Independent telephone industry.

The format and extent of the statistical data and other information have been changed from time to time in order to enhance the usefulness of this publication.

We wish to express appreciation to those companies which have contributed to the publication of the volume by submitting underlying operating data and other information.

July 1984 *United States Telephone Association*

STATISTICS

OF THE

INDEPENDENT

TELEPHONE INDUSTRY

Data compiled by

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Director of Statistics

Price $10.00 per copy (Volume No. 1)

Printed in the United States of America

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By United States Telephone Association

SCOPE

The information contained in this Annual Statistical Volume is based on information submitted to the United States Telephone Association by 678 companies (Class A 656 and Class B 22). These companies represent the following percentage of the total Independent telephone industry.

Companies	47.45
Exchanges	82.16
Employees	93.71
Access Lines	94.38
Plant	95.15
Operating Revenues	96.20

For its accounting purposes the Federal Communications Commission has established the following classifications based on annual operating revenues:

Class A	$250,000 and over
Class B	$100,000–$249,999

Due to variations in the number of companies reporting for the periods involved, as well as changes in individual company classification, care should be exercised when making comparisons based upon data contained herein.

Information relating to telephone development in areas served by the Bell System and certain other data have been furnished by the American Telephone and Telegraph Company.

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STATISTICAL SUMMARY OF THE TELEPHONE INDUSTRY IN THE UNITED STATES

	Independents	Bell System (2)	Total Bell & Independents
		ACCESS LINES (000 Omitted)	
1983	22 331	89 042	111 373
1982	21 672	86 921	108 593
1981	21 429	85 987	107 416
1980	20 808	83 884	104 692
1979	20 078	81 400	101 478
1978	19 246	78 366	97 612
1977	18 345	75 125	93 470
1976	17 538	72 308	89 846
1975	16 855	69 880	86 735
1974	16 368	67 899	84 267
		OPERATING COMPANIES	
1983	1 429	25	1 454
1982	1 432	25	1 457
1981	1 459	25	1 484
1980	1 483	25	1 508
1979	1 488	25	1 513
1978	1 527	25	1 552
1977	1 556	25	1 581
1976	1 590	25	1 615
1975	1 618	25	1 643
1974	1 641	25	1 666
		EXCHANGES	
1983	11 070	6 870	17 940
1982	11 074	6 874	17 948
1981	11 086	6 872	17 958
1980	11 040	6 717	17 757
1979	11 050	6 654	17 704
1978	11 053	6 705	17 758
1977	11 045	6 711	17 756
1976	11 040	6 712	17 752
1975	11 057	6 722	17 779
1974	11 048	6 728	17 776

STATISTICAL SUMMARY OF THE TELEPHONE INDUSTRY IN THE UNITED STATES

	Independents	Bell System (2)	Total Bell & Independents
TOTAL INVESTMENT IN PLANT (000 Omitted)			
1983	$44 500 000	165 568 488	$210 068 488
1982	41 500 000	160 198 838	201 698 838
1981	38 298 000	148 812 635	187 110 635
1980	35 300 000	135 524 245	170 824 245
1979	31 644 000	123 866 601	155 510 601
1978	27 788 000	112 989 445	140 777 445
1977	25 130 000	103 576 259	128 706 259
1976	23 000 000	96 340 000	119 340 000
1975	21 200 000	89 194 378	110 394 378
1974	$19 600 000	82 700 000	$102 300 000
TOTAL OPERATING REVENUES ($000 Omitted)			
1983	$14 875 000	69 099 535	$83 974 535
1982	13 880 000	65 698 356	79 578 356
1981	12 206 000	59 384 614	71 590 614
1980	10 475 000	51 865 610	62 340 610
1979	9 240 000	46 430 667	55 670 667
1978	8 085 000	41 952 941	50 037 941
1977	7 115 000	37 260 406	44 375 406
1976	6 300 000	33 517 965	39 817 965
1975	5 500 000	29 590 723	35 090 723
1974	$ 4 920 000	26 761 000	$31 681 000
EMPLOYEES			
1983	186 800	739 168	925 968
1982	192 100	840 675	1 032 775
1981	197 200	874 000	1 071 200
1980	194 000	868 000	1 062 000
1979	190 000	855 000	1 045 000
1978	179 000	823 000	1 002 000
1977	167 000	785 100	952 100
1976	160 000	778 000	938 000
1975	158 000	788 000	946 000
1974	163 000	812 000	975 000

(2) The Bell System data includes the Southern New England Telephone Company, the Cincinnati Bell Inc. and Bell System service telephones. These companies are associated with the Bell System but a majority of their common stocks are not owned by the American Telephone and Telegraph company.

NOTE: Information with respect to total investment in plant, total operating revenues and employees included above for independent companies not reporting to the United States Telephone Association has been estimated.

STATISTICAL SUMMARY OF THE INDEPENDENT TELEPHONE INDUSTRY IN THE UNITED STATES

	Reporting Companies	Non-Reporting Companies	Total
	ACCESS LINES (000 Omitted)		
1983	21 077	1 254	22 331
1982	21 146	526	21 672
1981	20 561	868	21 429
1980	19 412	1 396	20 808
1979	18 576	1 502	20 078
	OPERATING COMPANIES		
1983	678	751	1 429
1982	754	678	1 432
1981	768	691	1 459
1980	765	718	1 483
1979	755	733	1 488
1978	761	766	1 527
1977	757	799	1 556
1976	764	826	1 590
1975	731	887	1 618
1974	698	943	1 641
	EXCHANGES		
1983	9 095	1 975	11 070
1982	9 661	1 413	11 074
1981	9 629	1 457	11 086
1980	9 462	1 578	11 040
1979	9 399	1 651	11 050
1978	9 231	1 822	11 053
1977	9 241	1 804	11 045
1976	9 198	1 842	11 040
1975	9 077	1 980	11 057
1974	8 890	2 158	11 048

STATISTICAL SUMMARY OF THE INDEPENDENT TELEPHONE INDUSTRY IN THE UNITED STATES

	Reporting Companies	Non-Reporting Companies	Total
TOTAL INVESTMENT IN PLANT ($000 Omitted)			
1983	$42 341 015	2 158 985	$44 500 000
1982	40 548 413	951 587	41 500 000
1981	37 574 849	723 151	38 298 000
1980	34 099 864	1 200 136	35 300 000
1979	30 899 236	744 764	31 644 000
1978	26 830 699	957 301	27 788 000
1977	24 256 743	873 257	25 130 000
1976	22 167 383	832 617	23 000 000
1975	20 311 205	888 795	21 200 000
1974	$18 607 655	992 345	$19 600 000
TOTAL OPERATING REVENUES ($000 Omitted)			
1983	$14 309 386	565 614	$14 875 000
1982	13 445 249	434 751	13 880 000
1981	11 859 909	346 091	12 206 000
1980	10 176 779	298 221	10 475 000
1979	9 073 145	166 855	9 240 000
1978	7 806 836	278 164	8 085 000
1977	6 864 461	250 539	7 115 000
1976	6 072 006	227 994	6 300 000
1975	5 293 918	206 082	5 500 000
1974	$4 713 679	206 321	$4 920 000
AVERAGE DAILY CONVERSATIONS (000 Omitted)			
1983	199 195	10 005	209 200
1982	196 946	4 854	201 800
1981	197 331	3 769	201 100
1980	187 474	4 526	192 000
1979	179 554	3 446	183 000
1978	163 078	5 922	169 000
1977	153 670	5 630	159 300
1976	145 849	5 651	151 500
1975	140 202	5 798	146 000
1974	136 007	6 993	143 000

Serving You Is Our Goal

One major concern we hear from you, our customers, is the seeming confusion over how telephone service is provided . . . how you pay for it . . . and how you get the services you want at the least possible cost.

It's important that you understand these changes, because still more changes are to come —- from federal and state regulators.

The Federal Communications Commission has future plans to levy a small fixed monthly fee on residential and small business customers. The telephone industry supports these plans since they will reduce the threat that "bypass" poses to universally-affordable telephone service. The access fee is intended to help the local telephone company pay its fixed costs for basic facilities, replacing some of the subsidy it formerly got from long-distance service. Large multiline businesses started paying that fee this year. The access charge on residential and small single line business customers has been delayed until at least June 1985.

Our association believes such a charge is fair, and is the best way to keep your local phone bill down in the long run.

In all the seeming confusion of today's changes, the goal of your telephone company can be summed up in two words: *universal service*. This means making telephone service available to every American at the lowest possible rates. Everything we do is aimed at that objective.

Robert H. Snedaker Jr.
Chairman of the Board, USTA

VITAL FACTS ABOUT THE INDEPENDENT COMMUNICATIONS INDUSTRY

- Independents now number 1,429 companies with 186,800 employees.
- Access Lines now served by Independents number 21,331,000, about one of every five in the United States, in 11,070 exchanges serving about 59% of the nation's geographic service area.
- Investment in plant and facilities is now $44.5 billion and total plant investment is the equivalent of $238,223 per employee. About $4.4 was spent in 1983 for upgrading service and facilities estimated for 1984 $4.4 billion.
- Revenues in 1983 climbed 7.2 per cent to $14,875 billion, an increase of $995 million over 1982. This compares with an increase in Bell System revenues of 5.2 per cent.
- Growth has been a hallmark of the Independent industry since the end of World War II. Gross revenues have grown at an average annual rate of 13.2 per cent since 1974 compared with Bell's 11.1 per cent.

The Top 100

(Largest Companies Reporting to USTA, Including Holding Companies)

In Order of Access Lines As of December 31, 1983	Access Lines	Telephone Operating Revenues
1. GTE Corporation, (U.S. Only), *Stamford, Conn.* •	9,923,000	$7,080,076,000
2. United Telephone System, Inc., *Kansas City, Missouri* •	3,034,400	1,966,322,100
3. Continental Telecom Inc., (U.S. Only), *Atlanta, Georgia* •	2,139,000	1,432,854,000
4. Centel Corporation, *Chicago, Illinois* •	1,218,600	719,886,000
5. ALLTEL Corporation, *Hudson, Ohio* •	847,200	446,462,000
6. Puerto Rico Telephone Company, *San Juan, Puerto Rico*	501,100	352,656,000
7. Rochester Telephone Corp., *Rochester, New York* •	436,200	238,462,000
8. Lincoln Telephone & Telegraph Co., *Lincoln, Nebraska**	198,600	120,883,500
9. Century Telephone Enterprises, Inc., *Monroe, Louisiana* •	198,000	99,461,000
10. Telephone and Data Systems, Inc., *Chicago, Illinois*†	164,500	83,070,000
11. Pacific Telecom, Inc., *Vancouver, Washington**	159,400	109,346,000
12. Commonwealth Telephone Company, *Dallas, Pennsylvania**	146,600	67,820,300
13. Anchorage Telephone Utility, *Anchorage, Alaska*	104,500	90,750,500
14. Citizens Utilities Company, *Stamford, Connecticut*	78,000	81,276,000
15. Illinois Consolidated Telephone Co., *Mattoon, Illinois*	73,700	53,630,000
16. North State Telephone Company, *High Point, North Carolina*	69,400	32,601,800
17. Concord Telephone Company, *Concord, North Carolina*	63,300	21,972,700
18. C P National Corporation, *Concord, California* •	56,300	62,452,000
19. Puerto Rico Communications Authority, *San Juan, Puerto Rico*	55,900	31,350,000
20. Lufkin Telephone Exchange, Inc., *Lufkin, Texas*	54,400	32,306,000
21. Roseville Telephone Company, *Roseville, California*	48,400	33,542,000
22. North-West Telephone Company, *Tomah, Wisconsin**	47,600	24,419,100
23. Universal Telephone Company, *Milwaukee, Wisconsin**	40,700	20,184,500
24. Pioneer Telephone Cooperative, Inc., *Kingfisher, Oklahoma*	36,600	22,464,400
25. North Pittsburgh Telephone Company, *Gibsonia, Pennsylvania*	33,900	21,661,100
26. Virgin Islands Telephone Corp., *St. Thomas, Virgin Islands*	32,200	35,116,000
27. Conestoga Telephone Company, *Birdsboro, Pennsylvania*	30,500	13,416,600
28. Mankato Citizens Telephone Co., *Mankato, Minnesota*	29,500	15,800,400
29. Standard Telephone Company, *Cornelia, Georgia*	29,400	17,680,900
30. Denver and Ephrata Tel. & Tel. Co., *Ephrata, Pennsylvania*	29,100	13,524,500
31. Farmers Telephone Cooperative, Inc., *Kingstree, South Carolina*	28,400	15,364,800
32. Horry Telephone Cooperative, Inc., *Conway, South Carolina*	25,400	9,296,900
33. Rock Hill Telephone Company, *Rock Hill, South Carolina*	24,900	14,618,300
34. Chillicothe Telephone Company, *Chillicothe, Ohio*	23,700	14,775,800
35. Clifton Forge-Waynesboro Tel. Co., *Staunton, Virginia*	23,500	14,204,100
36. Guam Telephone Authority, *Tamuning, Guam*	22,000	10,567,500
37. Fairbanks Municipal Utilities System, *Fairbanks, Alaska*	21,400	22,530,000
38. Sugar Land Telephone Company, *Sugar Land, Texas*	20,300	15,510,000
39. Northern States Power Company, *Minot, North Dakota*	19,700	10,671,300
40. Matanuska Telephone Association Inc., *Palmer, Alaska*	19,500	14,809,900
41. Smithville Telephone Company, Inc., *Ellettsville, Indiana*	19,400	6,516,700
42. Lexington Telephone Company, Inc., *Lexington, North Carolina*	19,300	9,895,400
43. Twin Lakes Telephone Co-op. Corp., *Gainesboro, Tennessee*	19,200	6,118,500
44. Heins Telephone Company, *Sanford, North Carolina*	19,000	8,451,400
45. Wood County Telephone Company, *Wisconsin Rapids, Wisconsin*	19,000	8,636,900
46. Ben Lomand Rural Telephone Co-op., Inc., *McMinnville, Tennessee*	18,800	6,989,100
47. East Ascension Telephone Company, Inc., *Gonzales, Louisiana*	18,800	9,414,600
48. Grand River Mutual Telephone Corp., *Princeton, Missouri*	18,700	7,695,500
49. Eastex Telephone Co-op., Inc., *Henderson, Texas*	18,200	8,624,700
50. Hargray Telephone Company, Inc., *Hilton Head Island, S.C.*	17,500	12,038,200

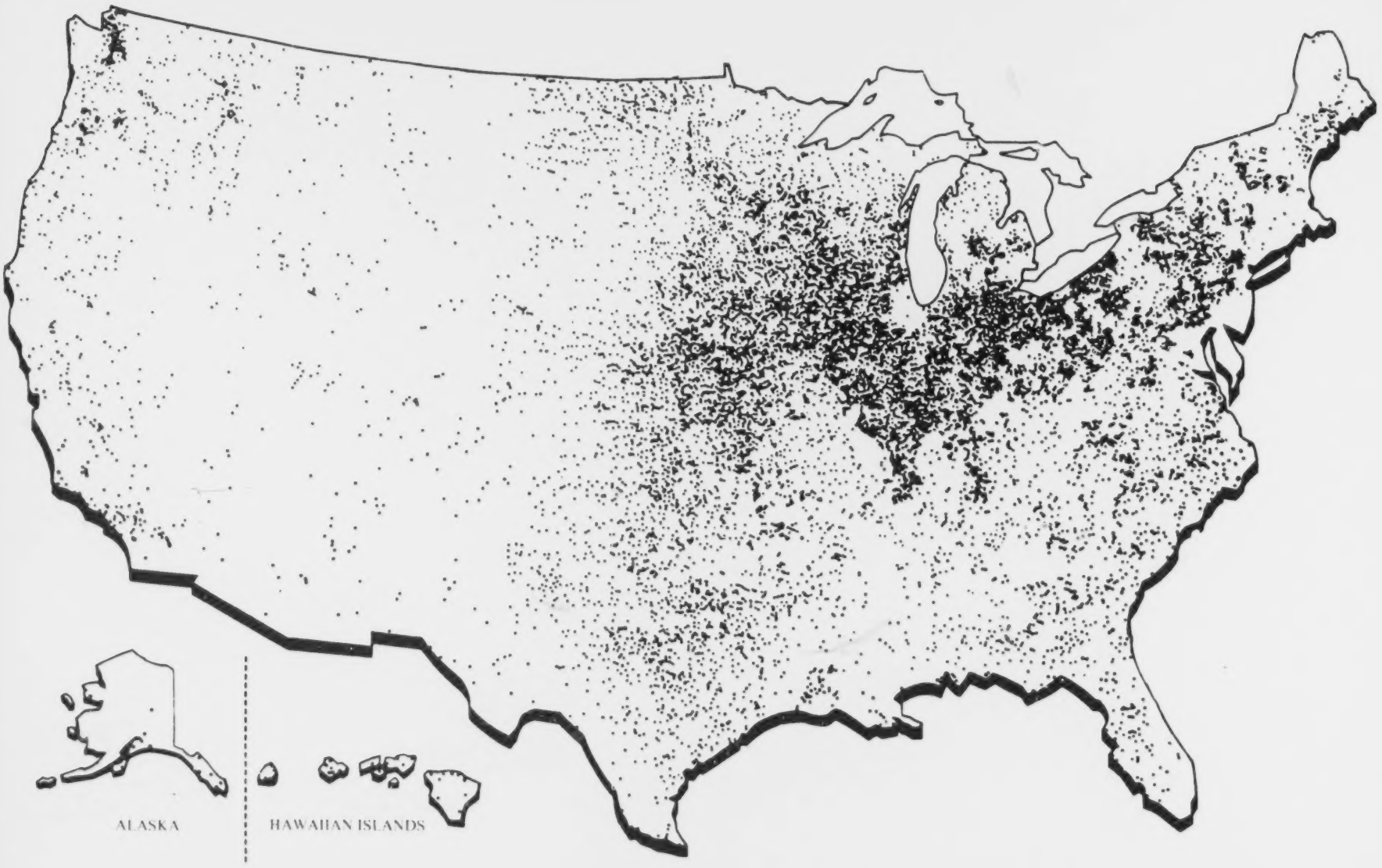
• Company or parent listed on N.Y. Stock Exchange
† American Stock Exchange
* Over-the-Counter market

In Order of Access Lines As of December 31, 1983	Access Lines	Telephone Operating Revenues
51. Taconic Telephone Corporation, *Chatham, New York*	17,300	$ 8,330,900
52. St. Joseph Telephone & Telegraph Co., *Port St. Joe, Florida*	17,200	17,953,900
53. South Central Rural Tel. Co-op. Corp., *Glasgow, Kentucky*	16,900	7,509,000
54. San Marcos Telephone Company, Inc., *San Marcos, Texas*	15,800	9,814,800
55. Gulf Telephone Company, *Foley, Alabama*	15,600	8,956,800
56. Urban Telephone Corporation, *Clintonville, Wisconsin*	15,400	5,358,100
57. CC&S Systems Inc., *Jackson, Michigan*	15,400	5,405,000
58. Brandenburg Telephone Company, *Brandenburg, Kentucky*	14,600	6,769,400
59. Enterprise Telephone Company, *New Holland, Pennsylvania*	14,600	7,057,900
60. Lancaster Telephone Company, *Lancaster, South Carolina*	14,200	6,865,400
61. Ace Telephone Association, *Houston, Minnesota*	14,100	4,671,000
62. Ogden Telephone Company, *Spencerport, New York*	13,900	4,745,000
63. Fort Bend Telephone Company, *Rosenberg, Texas*	13,800	11,495,700
64. Millington Telephone Company, Inc., *Millington, Tennessee*	13,700	6,175,200
65. Princeton Telephone Company, *Princeton, Indiana*	13,600	5,944,900
66. Craw-Kan Tel. Co-op. Assn., Inc., *Girard, Kansas*	13,200	5,990,800
67. Souris River Tel. Mutual Aid Co-op., *Minot, North Dakota*	13,200	6,329,600
68. Missouri Telephone Company, *Columbia, Missouri*	13,000	6,016,700
69. Shenandoah Telephone Company, *Edinburg, Virginia*	13,000	6,138,600
70. Warwick Valley Telephone Company, *Warwick, New York*	12,900	6,541,500
71. Rhinelander Telephone Company, *Rhinelander, Wisconsin*	12,800	5,949,900
72. Ellensburg Telephone Company, Inc., *Ellensburg, Washington*	12,500	8,133,700
73. Garden Valley Telephone Company, *Erskine, Minnesota*	12,500	5,884,600
74. Northwestern Indiana Telephone Company, *Hebron, Indiana*	12,500	5,338,900
75. Farmers Telephone Co-op., Inc., *Rainsville, Alabama*	12,400	4,950,000
76. Harrisonville Telephone Company, *Waterloo, Illinois*	12,300	6,086,900
77. Kerrville Telephone Company, *Kerrville, Texas*	12,300	7,275,400
78. Woodbury Telephone Company, *Woodbury, Connecticut*	11,900	7,004,100
79. Mid-Plains Telephone, Inc., *Middleton, Wisconsin*	11,900	6,797,500
80. Dekalb Telephone Corp., Inc., *Alexandria, Tennessee*	11,800	3,824,000
81. North Central Telephone Co-op., Inc., *Lafayette, Tennessee**	11,400	3,817,400
82. Chester Telephone Company, *Chester, South Carolina*	11,200	4,588,900
83. Southland Telephone Company, *Atmore, Alabama*	11,100	5,075,700
84. La Fourche Telephone Company, *Larose, Louisiana*	11,000	10,527,200
85. Guadalupe Valley Telephone Co-op., Inc., *New Braunfels, Texas*	11,000	4,958,500
86. East Otter Tail Telephone Company, *Perham, Minnesota*	10,900	4,269,000
87. Citizens Telephone Company, *Brevard, North Carolina*	10,700	5,276,600
88. Star Telephone Municipal Corp., *Clinton, North Carolina*	10,600	3,368,100
89. Golden West Telecommunications Co-op., *Wall, South Dakota*	10,400	9,834,700
90. Pioneer Telephone Association, Inc., *Ulysses, Kansas*	10,400	6,140,800
91. Home Telephone Company, Inc., *Moncks Corner, S.C.*	10,200	5,844,800
92. United Telequipment Corp., *Monroe, Wisconsin*	10,200	6,064,600
93. West River Mutual Aid Tel. Corp., *Hazen, North Dakota*	9,700	4,691,100
94. Sierra Telephone Company, Inc., *Oakhurst, California*	9,500	6,978,000
95. Foothills Rural Telephone Corp., *Staffordsville, Kentucky*	9,400	3,400,000
96. Monroeville Telephone Company, Inc., *Monroeville, Alabama*	8,900	4,658,400
97. Pioneer Telephone Cooperative, *Philomath, Oregon*	8,700	4,713,600
98. E.N.M.R. Telephone Corp., Inc., *Clovis, New Mexico*	8,600	7,140,900
99. Mountain Rural Telephone Co-op. Corp. Inc., *West Liberty, Kentucky*	8,600	2,953,200
100. Interstate Telephone Co., *West Point, Georgia*	8,500	5,122,200

*Company or parent listed on N.Y. Stock Exchange
†Company derives revenue from toll network
‡Over-the-Counter market

Early this year, all the Bell Operating Companies joined the United States Telephone Association. The above list of 100 Companies reflects figures for year end 1983, only for the traditional Independents, since at that time the Bell Companies were still not independent of AT&T.

11074 INDEPENDENT TELEPHONE EXCHANGES (EACH DOT AN EXCHANGE)



INDEPENDENT TELEPHONE CONSTRUCTION EXPENDITURES

($000 Omitted)

1983	$4,424,000
1982	4,695,000
1981	4,852,000
1980	4,544,000
1979	4,205,000
1978	3,471,000
1977	2,797,000
1976	2,481,000
1975	2,422,000
1974	2,618,000
1973	2,325,000
1972	2,053,000
1971	1,953,000
1970	1,665,000
1969	1,560,000
1968	1,366,000
1967	1,254,000
1966	1,130,000
1965	928,000
1964	780,000

ACCESS LINES BY STATE
December 31, 1983

State	Companies 1983	Access Lines 1983
Alabama	29	301,523
Alaska	27	350,000
Arizona	5	71,520
Arkansas	29	285,879
California	24	2,175,403
Colorado	25	31,018
Connecticut	2	12,596
Florida	10	2,361,816
Georgia	33	407,169
Hawaii	1	458,339
Idaho	12	101,716
Illinois	57	1,017,877
Indiana	49	895,558
Iowa	156	457,308
Kansas	39	205,188
Kentucky	18	397,411
Louisiana	22	124,016
Maine	17	74,060
Maryland	1	3,125
Massachusetts	2	3,197
Michigan	45	590,096
Minnesota	91	472,531
Mississippi	21	55,583
Missouri	41	529,939
Montana	16	73,859
Nebraska	48	377,332
Nevada	5	307,202
New Hampshire	11	26,772
New Jersey	5	99,911
New Mexico	9	86,527
New York	44	851,982
North Carolina	27	1,292,110
North Dakota	22	89,988
Ohio	40	1,325,860
Oklahoma	36	251,732
Oregon	27	367,968
Pennsylvania	48	1,181,517
South Carolina	25	513,180
South Dakota	31	69,167
Tennessee	29	376,720
Texas	69	1,499,941
Utah	11	26,916
Vermont	8	37,597
Virginia	20	581,222
Washington	24	668,081
West Virginia	9	113,108
Wisconsin	99	712,862
Wyoming	10	16,621
Total	**1,429**	**22,331,043**

GENERAL COMPOSITE SUMMARY OF REPORTING COMPANIES

	1983	1982	1981	1980	1979
Number of Reporting Companies	678	754	768	765	755
Number of Exchanges	9 095	9 661	9 629	9 462	9 399
Number of Access Lines	21 076 649	21 145 593	20 561 000	19 412 000	18 576 000
Telephone Plant in Service**	$40 463 443	38 847 423	35 985 540	32 491 329	$29 378 713
Depreciation Reserve**	$11 552 603	10 219 593	8 904 740	7 820 325	$6 979 960
Funded Debt—Bonds**	$8 881 749	8 942 146	8 446 228	8 066 697	$6 980 133
Funded Debt—Other**	4 134 755	4 352 331	4 341 187	3 941 286	3 687 724
Preferred Stock**	763 104	809 705	781 706	790 431	773 527
Common Stock**	6 553 113	6 391 737	6 227 849	5 789 479	5 320 957
Retained Earnings**	5 506 556	5 004 128	4 412 983	3 833 580	3 397 587
Current Maturity on Long Term Debt and Short Term Notes**	667 203	810 563	791 744	842 669	1 303 449
Total Capitalization**	$26 506 480	26 310 610	25 001 697	23 264 142	$21 463 377

**(000 Omitted)

FINANCING BY REPORTING COMPANIES

($000 Omitted)

	1983	1982	1981	1980	1979
Long Term Debt—Bonds	$158 288	597 197	586 791	1 068 916	$675 033
Debentures	877	16 052	4 492	156 493	4 750
Notes (Over 12 months)	204 464	351 909	595 817	451 253	333 638
Total	363 629	965 158	1 187 100	1 676 662	1 013 421
Preferred Stock	—	31 248	14 063	30 004	125 011
Common Stock	191 144	138 761	322 836	337 652	222 178
Total	191 144	170 009	336 889	367 656	347 189
Total for Refunding	29 104	66 361	180 643	316 768	88 774
Total for New Capital	525 669	1 068 806	1 343 356	1 727 550	1 271 836
Total Financing	554 773	1 135 167	1 523 999	2 044 318	1 360 610
Sold Publicly—Bonds	84 000	447 500	424 480	720 000	445 990
Debentures and Notes (Over 12 months)	1 416	269	13 660	185 190	13 922
Preferred Stock	—	30 000	4 002	4	25 002
Common Stock	5 506	493	7 054	50 909	22 513
Total	90 922	478 262	449 196	956 103	507 427
Sold Privately—Bonds	74 288	149 697	162 311	348 916	229 043
Debentures and Notes (Over 12 months)	203 925	367 692	586 649	422 556	324 466
Preferred Stock	—	1 248	10 061	30 000	100 009
Common Stock	185 638	138 268	315 782	286 743	199 665
Total	$463 851	656 905	1 074 803	1 088 215	$853 183

COMPOSITE BALANCE SHEET OF REPORTING COMPANIES

($000 Omitted)

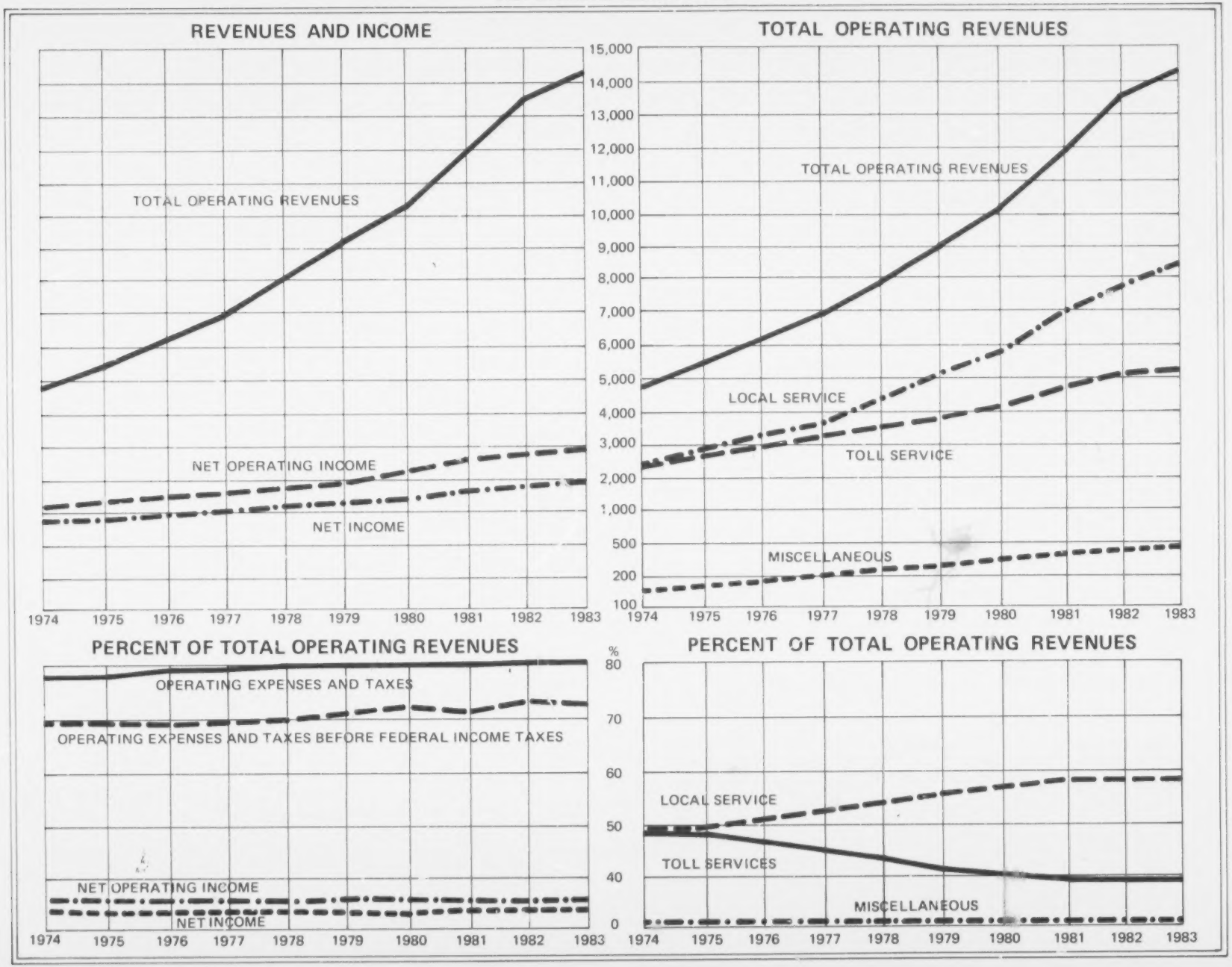
ASSETS	1983	1982	1981	1980	1979
Investments					
Telephone Plant (see page 22)	$42 341 015	40 548 413	37 574 849	34 099 864	$30 899 236
Less: Depreciation and Amort. Reserves	11 552 603	10 219 593	8 904 740	7 820 325	6 979 960
	30 788 412	30 328 820	28 670 109	26 279 539	23 919 276
Investments and Funds	668 844	593 234	531 194	472 845	472 955
Advances to Affiliated Companies	57 959	40 879	89 836	28 880	23 806
Total Investments	31 515 215	30 962 933	29 291 139	26 781 264	24 416 037
Current Assets					
Cash (Including Cash Funds)	723 402	543 097	440 813	393 791	335 711
Accounts Receivable (Less Reserve)	1 676 219	1 572 106	1 422 249	1 205 043	1 111 616
Materials and Supplies	368 181	378 860	427 411	494 049	456 362
All Other	85 438	54 283	40 377	55 311	49 184
Total Current Assets	2 853 240	2 548 346	2 330 850	2 148 194	1 952 873
Prepaid Accounts and Deferred Charges	375 164	375 971	336 232	312 116	261 562
TOTAL ASSETS	$34 743 619	33 887 250	31 958 221	29 241 574	$26 630 472
Ratio Current Assets to Current Accrued Liabilities	80.5%	74.0	62.3	64.2	55.0%
Materials and Supplies per Access Line	$17.47	17.92	20.79	25.45	$24.57

COMPOSITE BALANCE SHEET OF REPORTING COMPANIES

($000 Omitted)

	1983	1982	1981	1980	1979
LIABILITIES					
Capital Stock and Surplus					
Preferred Stock	$ 763 104	$ 809 705	781 706	790 431	$ 773 527
Common Stock	5 238 737	5 058 180	4 936 481	4 630 371	4 255 660
Other Capital (Including Premium on Capital Stock)	1 323 597	1 340 487	1 298 868	1 164 266	1 069 166
Retained Earnings (Unappropriated and reserved)	5 506 556	5 004 128	4 412 983	3 833 580	3 397 588
Total	12 831 994	12 212 500	11 430 038	10 418 648	9 495 941
Less: Capital Stock Discount and Expense	9 221	6 929	7 500	5 158	3 870
Total	12 822 773	12 205 571	11 422 538	10 413 490	9 492 071
Long Term Debt					
Bonds	8 881 749	8 942 145	8 446 228	8 066 697	6 980 133
Debentures, Long Term Notes (Over 12 months)	3 830 974	4 138 867	4 133 566	3 806 285	3 524 625
Other Long Term Debt	303 781	213 464	207 621	135 001	163 099
Total	13 016 504	13 294 476	12 787 415	12 007 983	10 667 857
Current and Accrued Liabilities					
Current Maturity on Long Term Debt	169 577	184 089	242 047	167 854	148 074
Bank Loans and other Short Term Notes	497 626	626 474	549 697	674 815	1 155 376
Accounts Payable	1 073 376	950 879	1 020 429	931 274	832 946
Accrued Taxes	570 329	590 752	474 546	436 403	367 223
All Other	1 231 187	1 091 428	1 414 821	1 137 657	1 045 237
Total	3 542 095	3 443 622	3 701 540	3 348 003	3 548 856
Unamortized Investment Credits	1 734 909	1 654 853	1 376 108	1 160 764	939 801
Accumulated Deferred Income Taxes—Accelerated Tax Depr.	3 401 981	3 059 996	2 408 465	2 083 254	1 764 185
Other Types of Deferred Income Taxes	69 782	70 095	136 912	125 454	110 456
Deferred Credits and Operating Reserves	155 575	158 637	125 243	102 626	107 246
TOTAL CAPITALIZATION AND LIABILITIES	$34 743 619	$33 887 250	31 958 221	29 241 574	$26 630 472

REPORTING COMPANIES



COMPOSITE INCOME STATEMENT OF REPORTING COMPANIES

Including Percentage Relationships to Total Operating Revenues

($000 Omitted)

	1983 Amount	%	1982 Amount	%	1981 Amount	%	1980 Amount	%	1979 Amount	%
Total Operating Revenues										
Local Service	$5 524 596	38.61	5 201 389	38.69	4 615 672	38.92	4 108 075	40.37	$3 749 687	41.33
Toll Service	8 346 439	58.33	7 874 259	58.57	6 925 498	58.39	5 795 439	56.95	5 073 290	55.91
Miscellaneous	598 869	4.18	526 246	3.91	453 773	3.83	391 976	3.85	341 058	3.76
Less: Uncollectibles	160 517	1.12	156 645	1.17	135 034	1.14	118 711	1.17	90 890	1.00
Total	14 309 387	100.00	13 445 249	100.00	11 859 909	100.00	10 176 779	100.00	9 073 145	100.00
Operating Expenses and Taxes										
Maintenance	2 945 250	20.58	2 973 742	22.12	2 495 147	21.04	2 113 612	20.77	1 881 750	20.74
Depreciation	2 796 559	19.54	2 461 870	18.31	2 187 013	18.44	1 872 851	18.41	1 640 740	18.08
Traffic	577 450	4.04	583 259	4.33	551 745	4.65	510 208	5.01	474 269	5.23
Commercial	894 031	6.25	870 600	6.47	775 206	6.54	686 167	6.74	585 200	6.45
General Office Salaries and Exp.	1 010 697	7.06	946 804	7.04	816 110	6.88	695 243	6.83	602 576	6.64
Other Operating Expenses	1 082 301	7.56	978 602	7.28	780 145	6.58	662 603	6.51	555 537	6.12
Taxes Other Than Federal Income	1 040 092	7.27	945 886	7.04	843 574	7.11	737 974	7.25	674 445	7.44
Federal Income Taxes	1 085 857	7.59	938 077	6.98	886 778	7.48	721 562	7.09	694 064	7.65
Total	11 432 237	79.89	10 698 840	79.57	9 335 718	78.72	8 000 220	78.61	7 108 581	78.35
Net Operating Income	2 877 150	20.11	2 746 409	20.43	2 524 191	21.28	2 176 559	21.39	1 964 564	21.65
Other Income (Non-operating)	217 633	1.52	188 904	1.40	170 633	1.44	136 888	1.34	112 494	1.24
Income Available for Fixed Charges	3 094 783	21.63	2 935 313	21.83	2 694 824	22.72	2 313 447	22.73	2 077 058	22.89
Interest and Other Deductions										
Interest on Funded Debt	1 080 008	7.55	1 040 196	7.74	962 256	8.11	815 954	8.02	687 326	7.57
Interest—Other	99 274	.70	140 876	1.05	214 142	1.81	223 840	2.20	177 403	1.96
Amort. Debt Discount & Exp. (Net)	8 047	.06	7 590	.05	7 099	.06	6 164	.06	4 437	.05
Other Fixed Charges	3 177	.02	6 795	.05	5 952	.05	3 875	.04	1 442	.02
Total	1 190 506	8.33	1 195 457	8.89	1 189 449	10.03	1 049 833	10.32	870 608	9.60
Net Income before Extra & Delayed Items	1 904 277	13.30	1 739 856	12.94	1 505 375	12.69	1 263 614	12.41	1 206 450	13.29
Extra and Delayed Items—Net	63 891	.45	11 425	.09	387	.01	4 825	.05	3 054	.04
Net Income	1 968 168	13.75	1 751 281	13.03	1 505 762	1.270	1 268 439	12.46	1 209 504	13.33
Dividends										
Preferred	63 218	.44	61 749	.46	61 043	.51	61 066	.60	52 811	.58
Common	1 237 947	8.65	1 048 507	7.80	898 919	7.58	748 399	7.35	690 414	7.61
Total	$1 301 165	9.09	1 110 256	8.26	959 962	8.09	809 465	7.95	$743 225	8.19
Net Operating Income—in % Earned on Depreciated Plant in Service**	10.0			9.9		9.7		9.2		9.2
Income Available for Fixed Charges—in % Earned on Total Capitalization**	11.8			11.5		11.1		10.3		10.3

**Average

OPERATING REVENUE ACCOUNTS OF REPORTING COMPANIES

($000 Omitted)

	1983	1982	1981	1980	1979
LOCAL SERVICE REVENUES					
Subscribers' Station	$5 267 971	4 951 037	4 400 496	3 903 840	$3 564 897
Public Telephone	91 237	82 604	73 823	65 460	61 484
Service Stations	4 849	7 110	3,766	2 355	1 914
Local Private Line Service	78 102	70 800	61 102	51 675	46 352
Other Local Service	82 436	89 838	76 485	84 745	75 040
Total Local Service Revenues	5 524 595	5 201 389	4 615 672	4 108 075	3 749 687
TOLL SERVICE REVENUES					
Message Tolls	6 617 511	6 529 067	5 938 666	5 120 868	4 501 671
Wide Area	689 536	552 679	447 133	373 177	307 519
Toll Private Line Services	236 692	200 929	171 435	129 853	120 629
Other Toll Service	43 613	25 098	16 015	11 240	9 310
	7 587 352	7 307 773	6 573 249	5 635 138	4 939 129
Settlement Affect with Connecting Companies	759 087	566 486	352 249	160 301	134 161
Total Toll Service Revenues	8 346 439	7 874 259	6 925 498	5 795 439	5 073 290
MISCELLANEOUS REVENUES					
Telegraph Commissions	547	3 839	543	3 279	2 635
Directory Advertising and Sales	519 674	463 670	402 222	340 603	292 836
Rent	43 829	34 989	33 072	32 468	31 038
General Services and Licenses	2 340	2 234	2 000	1 763	1 434
Others	32 479	21 514	15 936	13 863	13 115
Total Miscellaneous Revenues	598 869	526 246	453 773	391 976	341 058
UNCOLLECTIBLE REVENUES					
Uncollectible—Debit	160 517	156 645	135 034	118 711	90 890
TOTAL OPERATING REVENUES	$14 309 386	13 445 249	11 859 909	10 176 779	$9 073 145

DETAILS OF OPERATING TAXES OF REPORTING COMPANIES

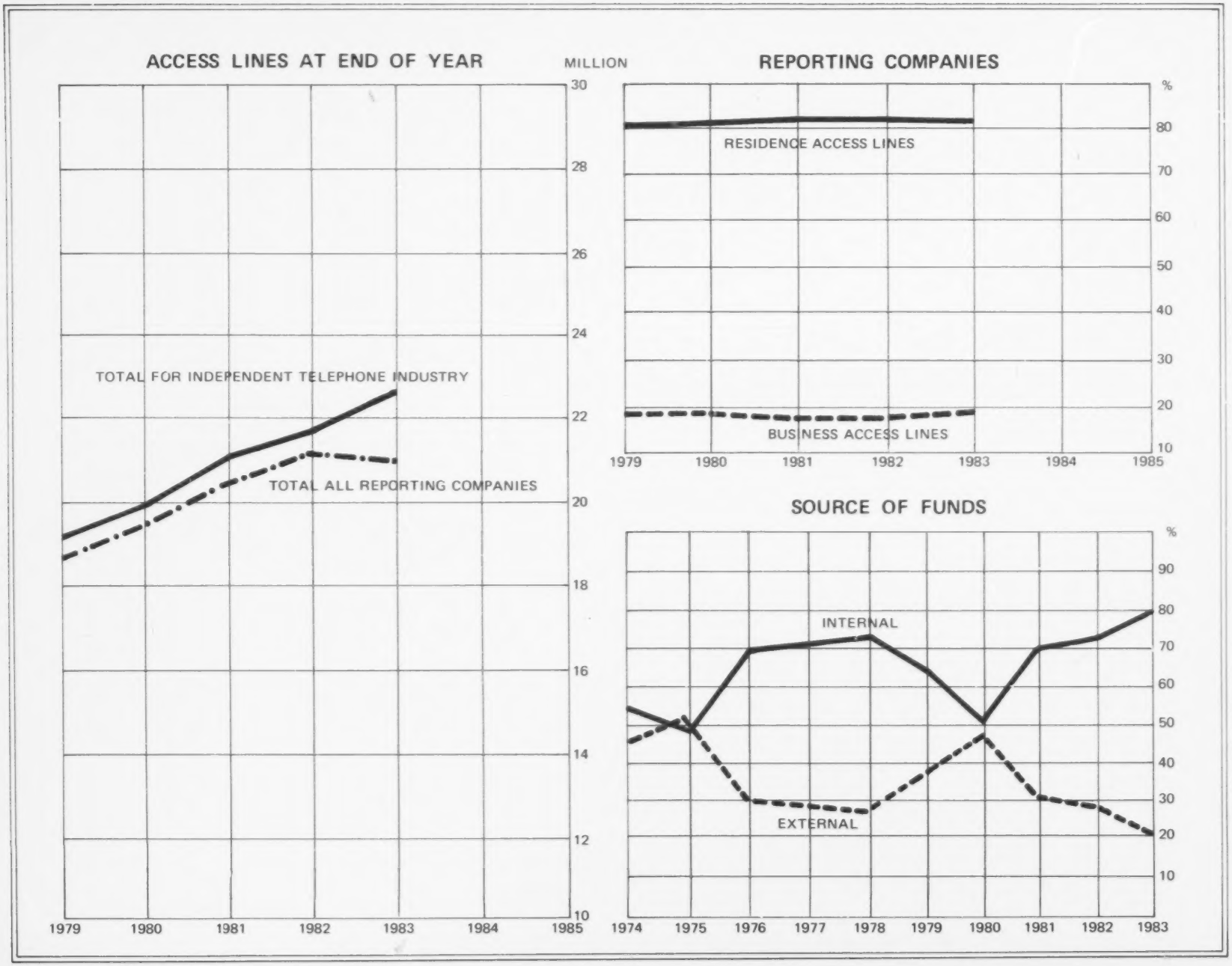
($000 Omitted)

	1983		1982		1981		1980		1979	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Federal Income Taxes	$1 085 857	49.82	938 078	48.49	886 778	49.49	721 562	47.69	$694 064	48.97
State Income Taxes	137 316	6.30	112 307	5.81	96 644	5.39	76 056	5.03	73 470	5.18
Property Taxes	368 069	16.89	333 426	17.24	308 966	17.24	285 122	18.84	254 616	17.96
Gross Receipts Taxes	235 762	10.82	214 122	11.07	192 519	10.75	169 403	11.20	159 217	11.23
Total Employers Payroll Taxes	305 506	14.01	292 728	15.13	266 640	14.88	224 156	14.82	202 570	14.29
Other Miscellaneous Taxes	47 107	2.16	43 823	2.26	40 339	2.25	36 620	2.42	33 588	2.37
Total	$2 179 617	100.00	1 934 484	100.00	1 791 886	100.00	1 512 919	100.00	$1 417 525	100.00
Federal Income Taxes—Current	666 357		414 466		324 691		186 581		234 445	
Deferred Federal Income Tax	322 339		319 083		313 015		292 857		261 144	
Investment Credit (Net)	97 161		204 529		249 072		242 124		198 475	
Federal Income Taxes after Deductions	$1 085 857		938 078		886 778		721 562		$694 064	

COMPOSITE TELEPHONE PLANT OF REPORTING COMPANIES

($000 Omitted)

	1983		1982		1981		1980		1979	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Organization	$ 3 604	.01	4 003	.01	3 309	.01	3 934	.01	$ 4 050	.01
Franchises	1 289	—	1 320	—	1 257	—	1 243	—	1 439	—
Patent Rights	23	—	16	—	70	—	66	—	20	—
Land	203 476	.50	194 612	.50	190 480	.53	175 051	.54	164 191	.56
Buildings	2 409 757	5.96	2 281 861	5.88	2 102 423	5.84	1 956 091	6.02	1 782 938	6.07
Central Office Equipment	14 493 815	35.82	13 577 584	34.95	12 409 317	34.49	11 031 618	33.95	9 890 334	33.67
Station Apparatus	2 816 273	6.96	3 167 253	8.15	3 159 542	8.78	2 996 446	9.22	2 850 026	9.70
Station Connections	3 961 100	9.79	3 869 200	9.96	3 692 363	10.26	3 311 737	10.19	2 944 763	10.02
Large Private Branch Exchanges	885 978	2.19	957 213	2.48	940 839	2.61	896 732	2.76	833 293	2.84
Pole Lines	1 011 740	2.50	966 502	2.49	917 548	2.55	855 994	2.64	814 460	2.77
Aerial Cable	3 943 236	9.75	3 715 572	9.58	3 427 417	9.53	3 157 978	9.72	2 908 884	9.90
Underground Cable	1 909 897	4.72	1 764 077	4.54	1 564 245	4.35	1 359 851	4.19	1 215 900	4.14
Buried Cable	6 176 282	15.26	5 838 490	15.03	5 298 634	14.72	4 692 263	14.44	4 067 962	13.85
Submarine Cable	75 238	.19	54 428	.14	48 160	.13	41 513	.13	85 821	.29
Aerial Wire	185 697	.46	207 808	.54	203 437	.57	204 837	.63	211 666	.72
Underground Conduit	1 095 015	2.71	1 032 017	2.66	946 364	2.63	854 932	2.63	747 812	2.55
Furniture and Office Equipment	418 663	1.03	351 969	.91	288 919	.80	250 180	.77	223 502	.76
Vehicles and Other Work Equipment	867 180	2.14	846 202	2.18	788 736	2.19	692 990	2.13	625 919	2.13
Telephone Plant Acquired	5 180	.01	17 287	—	3 280	.01	7 804	.03	5 733	.02
Telephone Plant Sold	—	—	9	—	(800)	—	69	—	—	—
Total Telephone Plant in Service	$40 463 443	100.00	38 847 423	100.00	35 985 540	100.00	32 491 329	100.00	$29 378 713	100.00
Telephone Plant Under Construction	1 787 298		1 604 435		1 494 802		1 517 488		1 436 216	
Property Held for Future Telephone Use	10 544		14 389		13 229		12 310		12 730	
Telephone Plant Acquisition Adjustment	70 220		78 668		79 530		77 913		70 131	
Telephone Plant Adjustment	9 771		3 648		1 890		1 098		1 722	
Less: Contributions to Plant (Credit)	261		150		142		274		276	
Total Telephone Plant	$42 341 015		40 548 413		37 574 849		34 099 864		30 899 236	
Total Plant in Service per Access Lines	$ 1 920		1 837		1 750		1 674		$ 1 582	
Gross Additions to Plant	4 209 647		4 598 759		4 622 475		4 389 586		4 106 547	
Less: Retirements of Plant	1 543 814		1 445 398		1 387 825		1 292 154		1 045 116	
Net Additions to Plant	$ 2 665 833		3 153 361		3 234 650		3 097 432		$ 3 061 431	


ACCESS LINES AT END OF YEAR
MILLION
30
28
26
24
22
20
18
16
14
12
10
TOTAL FOR INDEPENDENT TELEPHONE INDUSTRY
TOTAL ALL REPORTING COMPANIES
1979
1980
1981
1982
1983
1984
1985
REPORTING COMPANIES
%
80
70
60
50
40
30
20
10
RESIDENCE ACCESS LINES
BUSINESS ACCESS LINES
1979
1980
1981
1982
1983
1984
1985
SOURCE OF FUNDS
%
90
80
70
60
50
40
30
20
10
INTERNAL
EXTERNAL
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983

COMPOSITE PLANT, ACCESS LINES AND CALLING STATISTICS OF REPORTING COMPANIES

	1983	1982	1981	1980	1979
Access Lines (Company Owned)					
Business					
a. 1-party	2 845 394	2 741 313	2 608 771	2 573 243	2 312 848
b. 2-party	15 236	16 480	17 907	51 898	135 815
c. 3, 4, & 5 party	18 859	26 327	24 257	31 060	79 872
d. Multi-party	14 028	16 475	16 764	18 635	20 537
e. CENTREX	288 149	371 364	337 559	330 603	320 496
PBX Trunks	476 348	379 286	362 845	357 809	354 496
Residence					
a. 1-party	15 039 672	14 822 373	14 152 743	13 100 437	12 430 395
b. 2-party	642 932	778 792	799 882	834 944	795 905
c. 3, 4, & 5-party	1 318 895	1 542 183	1 492 859	1 423 501	1 404 426
d. Multi-party	143 696	179 277	352 108	396 021	481 859
Public Mobile Main Lines	21 886	20 772	22 028	18 913	17 926
Coin Main Lines	251 554	250 943	246 223	232 080	221 769
Total	21 076 649	21 145 585	20 433 946	19 369 144	18 576 344
Touch Tone Access Line	7 854 620	8 598 586	7 946 610	7 420 118	6 161 031
Average Co-Owned Access Lines in Service During the Year	20 896 878	20 938 675	20 257 727	19 055 737	18 139 484

AVERAGE DAILY CALLS AND TOLL MESSAGES

Local Calls (000s)	179 052	179 336	180 944	173 092	166 250
Toll Messages (000s)	20 143	17 609	16 387	14 381	13 303
Local Calls per average main line	8.57	8.56	8.94	9.08	9.17
Toll Messages per average main line	.964	.841	.809	.755	.733

REPORTING COMPANIES CENTRAL OFFICES BY NUMBER OF LINES

1983

Number of lines	1–200	201–500	501–1 000	1 001–3 000	3 001–5 000	over 5000	Total
Central Offices	868	2 079	2 330	2 662	749	1 160	9 848

1982

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5000	Total
Central Offices	1 094	2 459	2 248	2 700	694	1 134	10 329

1981

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 159	2 363	2 396	2 595	680	1 063	10 256

1980

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 197	2 416	2 367	2 500	625	991	10 096

1979

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 343	2 445	2 231	2 460	646	927	10 052

1978

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 454	2 514	2 236	2 197	571	806	9 778

1977

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 591	2 558	2 155	2 135	546	769	9 754

1976

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 740	2 551	2 124	1 928	623	735	9 701

1975

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 883	2 500	2 080	1 891	507	675	9 536

1974

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	2 017	2 478	1 976	1 780	539	571	9 361

CENTRAL OFFICES BY TYPE

	1983	1982	1981	1980	1979
Step by Step	6 175	6 905	7 194	7 294	7 525
Cross Bar	903	1 010	1 048	1 127	1 128
Analog	567	518	491	442	391
Digital	1 624	1 268	884	522	248
Other	579	628	639	711	760
Total	9 848	10 329	10 256	10 096	10 052

COMPOSITE FINANCIAL RATIOS OF REPORTING COMPANIES

	1983	1982	1981	1980	1979
Percent of Total Capitalization					
Bonds	33.5	34.0	33.8	34.7	32.5
Debentures and Notes (Over 12 months)	15.6	16.5	17.4	16.9	17.2
Preferred Stock	2.9	3.1	3.1	3.4	3.6
Common Stock	24.7	24.3	24.9	24.9	26.4
Retained Earnings	20.8	19.0	17.6	16.5	14.2
Current Maturity (LTD) and Short Term Notes	2.5	3.1	3.2	3.6	6.1
Total	100.0	100.0	100.0	100.0	100.0
Bonds					
Average Coupon Rate*	12.07%	12.64	16.27	12.53	10.18%
% of Depreciated Plant in Service	37.8	38.6	38.7	40.6	38.6 %
Preferred Stock					
Average Dividend Rate	8.06%	7.76	7.74	7.80	7.36%
Times Dividend Earned (After fixed charges)	$ 23.23	21.56	18.44	13.42	16.85
Net Book Assets per $100	$1 295.45	1 162.00	1 105.00	1 002.00	$1 043.00
Common Stock Equity					
Average Earnings per $100	$16.38	15.37	14 [illegible]	13.15	$ 13.97
Average Dividend Paid per $100	$10.64	9.54	8.85	8.15	$ 8.34
Percentage of Earnings Paid Out in Dividends	65.0%	62.1	62.2	62.0	59.7%
Book Value per $100 of Par or Stated Value	$184.00	178.00	171.00	166.00	$ 164.00
% Return on Average Capitalization and Retained Earnings	11.0%	10.7	10.4	9.7	9.6%

*The average interest rate shown above is weighted average. (High for 1983 was 12.75%; Low 6.5%)

EMPLOYEES OF REPORTING COMPANIES

Classification According to Occupation	Number of Employees December 31, 1983 Male	Female
Officials and Managerial Assistants	6 562	1 577
Professional and Semi-professional Employees	14 906	5 472
Business Office and Sales Employees	2 126	12 769
Clerical Employees	3 186	31 496
Chief Operators, Supervisors and Instructors	148	2 185
Switchboard Operators and Other Switchboard Employees	1 171	16 506
Manager of Telephone Craftspeople	7 885	542
Central Office Craftspeople	17 579	3 864
Installation and Exchange Repair Craftspeople	23 510	1 122
Line, Cable, and Conduit Craftspeople	13 032	284
Laborers	384	77
Building, Supply and Motor Vehicle Employees	5 255	1 617
Other Employees—Not Elsewhere Classified	1 084	703
Total	96 828	78 214

	Number of Employees (Thousands)	Total Payroll (Thousands)	Average Annual Payroll per Employee	Average No. Access per Employee	Average Dollars of Investment per Employee
1983	175	$4 222 738	$24 124	120	$231 164
1982	186	4 068 627	21 858	114	208 706
1981	192	3 774 964	19 647	107	187 284
1980	189	3 373 414	17 666	103	171 992
1979	187	3 015 101	16 125	99	157 119
1978	172	2 578 716	14 984	—	148 983
1977	160	2 218 474	13 827	—	144 871
1976	154	1 949 111	12 616	—	138 019
1975	152	1 736 809	11 448	—	128 669
1974	157	1 607 874	10 273	—	112 931

PLANT, REVENUES, EXPENSES AND NET OPERATING INCOME PER ACCESS LINE FOR REPORTING COMPANIES*

	1983	1982	1981	1980	1979
Plant					
Telephone Plant in Service	$1 920	1 837	1 750	1 674	$1 582
Depreciation Reserve	548	483	433	403	376
Telephone Plant in Service Less Reserve	1 372	1 354	1 317	1 271	1 206
Ratio—Depreciation Reserve to Plant in Service	28.5	26.3	24.7	24.1	23.8
Total Operating Revenues					
Local Service	264.37	248.41	227.86	215.58	206.71
Toll Service	399.41	376.06	341.89	304.13	279.68
Miscellaneous	28.66	25.13	22.40	20.57	18.80
Less: Uncollectibles	7.68	7.48	6.67	6.23	5.01
Total	$ 684.76	642.12	585.48	534.05	$ 500.18
Operating Expenses and Taxes					
Maintenance	140.94	142.02	123.18	110.92	103.74
Depreciation	133.83	117.57	107.96	98.28	90.45
Traffic	27.64	27.86	27.24	26.77	26.15
Commercial	42.78	41.58	38.27	36.01	32.26
General Office Salaries and Expenses	48.37	45.22	40.29	36.48	33.22
Other	51.79	46.74	38.51	34.77	30.62
Taxes other than Federal Income Taxes	49.77	45.17	41.64	38.73	37.18
Federal Income Taxes	51.96	44.80	43.78	37.87	38.26
Total	547.08	510.96	460.87	419.83	391.88
Net Operating Income	137.68	131.16	124.61	114.22	108.30
Other Income (Non-operating)	10.42	9.02	8.42	7.18	6.20
Income Available for Fixed Charges	148.10	140.18	133.03	121.40	114.50
Interest on Other Deductions					
Interest on Funded Debt	51.68	49.68	47.50	42.82	37.89
Interest—Others	4.75	6.73	10.58	11.75	9.78
Amort. Debt Discount & Exp. (Net)	.39	.36	.35	.32	.24
Other Fixed Charges	.15	.32	.29	.20	.08
Total	56.97	57.09	58.72	55.09	47.99
Net Income before Extra & Delayed Items	91.13	83.09	74.31	66.31	66.51
Extra and Delayed Items—Net	3.06	.55	.02	.25	.17
Net Income	$ 94.19	83.64	74.33	66.56	$ 66.68
Dividends					
Preferred	3.03	2.95	3.01	3.20	2.91
Common	59.24	50.08	44.38	39.27	38.06
Total	$ 62.27	53.03	47.39	42.47	$ 40.97

*Profit and loss items are based on average access lines

SELECTED OPERATING RATIOS OF REPORTING COMPANIES

	1983	1982	1981	1980	1979
Total Operating Revenues per $1 of Plant in Service (1)	$ .364	.360	.346	.329	$ .325
Total Operating Revenues per $1 of Depreciation Plant in Service (1)	$ .501	.483	.457	.432	$ .426
Operating Ratio (2)	72.3	72.6	71.2	71.5	70.7
Operating Expenses and Taxes (Excluding Federal Income Taxes) per $1 of Plant in Service (1)	$ .263	.261	.246	.235	$ .230
Net Operating Income per $1 of Plant (1)	$ .073	.073	.074	.070	$ .070
Net Operating Income per $1 of Depr. Plant (1)	$ .101	.099	.097	.092	$ .092
Maintenance—% of Plant in Service (1)	7.49	7.96	7.27	6.83	6.75
Maintenance—% of Total Operating Revenues	20.6	22.1	21.0	20.8	20.7
Depreciation—% of Plant in Service (1)	7.11	6.59	6.37	6.05	5.88
Depreciation and Maintenance—% of Total Operating Revenues	40.1	40.4	39.5	39.2	38.8
Commercial, General Office Salaries and Expenses, and Other Expenses (*)					
Per Average Access Line	$142.94	133.53	117.07	107.26	$ 96.11
% of Total Operating Revenues	20.9	20.8	20.0	20.1	19.2
% of Operating Expenses Excluding all Taxes and Depreciation	45.9	44.0	43.8	43.8	42.5

(1) Average Plant in Service.

(2) Ratio of Operating Expenses before Federal Income Taxes to Total Operating Revenues.

(*) Because of a variance of accounting distribution methods these three items have been considered together.

COMPARISON OF REPORTING COMPANIES BY GROUP CLASSIFICATION

Effective January 1, 1952, the Federal Communications Commission changed the classification of telephone companies as follows:

Class A. Companies having annual operating revenues exceeding $250,000.

Class B. Companies having annual operating revenues exceeding $100,000 but nor more than $250,000.

Class C. Companies having annual operating revenues exceeding $50,000 but not more than $100,000.

REPORTING COMPANIES AND ACCESS LINES BY GROUPS

		Companies	Access Lines
1983	Class A	656	21 065 964
	Class B	22	10 685
	Total	678	21 076 649
1982	Class A	715	21 129 171
	Class B	39	16 414
	Total	754	21 145 585
1981	Class A	720	20 534 852
	Class B	48	26 084
	Total	768	20 560 936
1980	Class A	700	19 411 939
	Class B	65	37 257
	Total	765	19 449 196
1979	Class A	685	18 538 089
	Class B	57	35 263
	Class C	13	3 115
	Total	755	18 576 467

COMPARISON OF REPORTING COMPANIES BY GROUP CLASSIFICATION

CAPITALIZATION
($000 Omitted)

	1983	1982	1981	1980	1979
Class A Companies					
Total Capitalization	$26 494 776	26 291 989	24 972 806	23 222 915	$21 421 882
% Funded Debt Bonds	33.5	34.0	33.8	34.7	32.6
% Other Long Term Debt	15.6	16.5	17.3	16.9	17.1
% Preferred Stock	2.9	3.1	3.1	3.4	3.6
% Common Stock	24.7	24.3	24.9	24.9	21.7
% Current Maturity (LTD) Short Term Notes	2.5	3.1	3.2	3.6	6.1
% Retailed Earnings	20.8	19.0	17.7	16.5	18.9
Class B Companies					
Total Capitalization	$ 11 705	18 621	28 891	41 226	$ 37 363
% Funded Debt Bonds	0	0	.0	.8	.8
% Other Long Term Debt	47.6	50.2	65.6	64.6	63.4
% Preferred Stock	0	.4	.3	.2	.1
% Common Stock	5.8	8.6	7.9	9.2	10.0
% Current Maturity (LTD) Short Term Notes	4.1	5.3	1.7	2.7	3.0
% Retained Earnings	42.5	35.5	24.5	22.5	22.7

PLANT IN SERVICE AND DEPRECIATION RESERVE ($000 omitted)

Class A Plant	$40 449 005	38 824 587	35 951 655	32 443 788	$29 333 315
Depreciation Reserve	$11 546 879	10 211 231	8 893 531	7 807 069	$ 6 967 210
% Reserve	28.5	26.3	24.7	24.1	23.8
Class B Plant	$ 14 438	22 836	33 885	47 542	$ 41 927
Depreciation Reserve	$ 5 724	8 362	11 209	13 256	$ 11 543
% Reserve	39.6	36.6	33.1	27.9	27.5

COMPARISON OF REVENUES, EXPENSES AND NET OPERATING INCOME PER ACCESS LINE

Class A and B Companies

	1983 Company Classification		1982 Company Classification		1981 Company Classification		1980 Company Classification		1979 Company Classification	
	A	B	A	B	A	B	A	B	A	B
Operating Revenues										
Local Service	$264.44	135.44	248.50	129.28	227.99	121.40	215.78	116.26	$206.92	111.94
Toll Service	399.48	255.74	376.17	237.23	342.08	176.03	304.38	181.02	279.91	171.41
Miscellaneous	28.67	8.46	25.14	10.19	22.41	11.01	20.59	8.25	18.82	9.21
Less: Uncollectibles	7.68	2.57	7.48	2.73	6.67	2.16	6.24	2.50	5.02	2.46
Total	$684.91	397.07	642.33	373.97	585.81	306.28	534.51	303.03	$500.63	290.10
Operating Expenses and Taxes										
Maintenance	140.98	66.89	142.07	75.03	123.25	61.65	111.02	59.64	103.85	51.95
Depreciation	133.86	79.04	117.61	76.64	108.01	67.95	98.35	64.10	90.52	59.52
Traffic	27.64	4.73	27.87	4.74	27.27	4.45	26.82	4.10	26.19	4.09
Commercial	42.79	23.16	41.59	23.18	38.29	18.48	36.04	18.72	32.29	18.11
General Off. Sal. & Exp.	48.36	57.47	45.21	51.65	40.28	42.83	36.47	46.30	33.20	44.26
Other	51.80	35.27	46.75	31.18	38.52	31.63	34.78	29.16	30.63	27.89
Taxes Other than F. I.	49.79	21.73	45.19	24.26	41.67	23.38	38.76	23.09	37.22	20.10
Federal Income Taxes	51.98	22.14	44.82	16.38	43.82	9.12	37.92	7.51	38.32	7.94
Total	$547.20	310.43	511.11	303.06	461.11	259.49	420.16	252.62	$392.22	233.86
Net Operating Income	$137.71	86.64	131.22	70.91	124.70	46.79	114.35	50.41	$108.41	56.24
Oper. Rev. per $1 of Plant (1)	.364	.294	.360	.276	.346	.242	.329	.247	.325	.252
Oper. Ratio Before F. I. Taxes (2)	72.3	72.6	72.6	76.7	71.2	81.7	71.5	80.9	70.7	77.9
Oper. Exp. & Taxes (Excl. F.I. Taxes per $1 of Plant (1)	.263	.213	.261	.211	.246	.198	.235	.199	.230	1.97
Net Oper. Inc. per $1 of Plant (1,	.073	.064	.073	.052	.074	.037	.070	.041	070	.049
Net Oper. Inc. per $1 of Depr. Plant (1)	.101	.098	.099	.088	.097	.055	.093	.057	.092	.068
Maintenance — % of Plant (1)	7.49	4.95	7.96	5.53	7.27	4.87	6.83	4.85	6.75	4.52
Maintenance — % of Total Rev.	20.6	16.8	22.1	20.1	21.0	20.1	20.8	19.7	20.7	17.9
Depreciation — % of Plant (1)	7.11	5.84	6.59	5.65	6.37	5.36	6.06	5.22	5.88	5.18
Depr. and Maintenance % of Total Operating Revenues	40.1	36.8	40.4	40.6	39.5	42.3	39.2	40.8	38.8	38.4

(1) Average Plant in Service
(2) Ratio of Operating Expenses to Total Operating Revenues

R. E. A. LOAN ACTIVITIES
RURAL TELEPHONE PROGRAM*

As of end of Month		Funds Loan Approved (net) ($000)	Funds Advanced Cumulative ($000)	Number Borrowers	Number of Subscribers To Receive Improved Service	Number of Subscribers To Receive Initial Service	Number of Subscribers Total
December 1983	REA	4 539 571	3 819 768	1 002	1 835 859	3 394 563	5 230 422
	RTB	1 871 567	1 339 880	524			
December 1982	REA	4 326 561	3 639 548	994	1 812 556	3 305 961	5 118 517
	RTB	1 725 582	1 242 381	504			
December 1981	REA	4 076 323	3 415 708	978	1 764 016	3 150 062	4 914 078
	RTB	1 529 474	1 136 115	467			
December 1980	REA	3 844 840	3 150 443	962	1 692 092	3 027 195	4 719 287
	RTB	1 388 221	997 293	443			
December 1979	REA	3 606 093	2 892 056	954	1 657 622	2 882 568	4 540 190
	RTB	1 261 805	793 682	426**			
December 1978	REA	3 354 379	2 674 843	942	1 615 965	2 754 298	4 370 263
	RTB	1 120 500	660 120	408**			
December 1977	REA	3 034 007	2 526 906	930	1 544 766	2 573 780	4 118 546
	RTB	979 228	515 020	387**			
December 1976	REA	2 851 239	2 370 610	922	1 488 386	2 418 197	3 906 583
	RTB	767 844	429 329	371**			
December 1975	REA	2 575 512	2 211 707	908	1 420 361	2 140 171	3 560 532
	RTB	617 607	334 737	340**			
December 1974	REA	2 356 705	2 070 171	898	1 265 352	1 834 894	3 100 246
	RTB	473 913	207 379	291**			
December 1983			BY TYPE OF BORROWER				
Cooperatives		2 329 158	1 930 914	255	320 049	822 593	1 142 642
Commercial		3 919 992	3 098 868	743	1 467 079	2 495 549	3 962 628
Public Bodies		162 088	129 866	4	48 731	76 421	125 152
Total		6 411 238	5 159 648	1 002	1 835 859	3 394 563	5 230 422

*Monthly Statistical Summary.
**RTB—Rural Telephone Bank Borrowers included in The Total REA Borrowers.